



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

Procurement
Instruction
Memorandum
No. 99-9
Apr. 16, 1999

MEMORANDUM FOR BUREAU CHIEF PROCUREMENT OFFICERS

FROM: Annelie M. Kuhn, Acting Director *Am Kuhn*
Office of Procurement

SUBJECT: DTAR Change 98-07; Electronic Funds Transfer

Purpose: This DTAR Change implements the Department's policy regarding electronic funds transfer (EFT).

Effective Date: May 3, 1999

Expiration Date: This PIM will expire when canceled or superseded.

Background: Subsection 31001(x)9(1) of the Debt Collection Improvement Act of 1996 (DCIA) (Pub. L. 104-134) amends 31 U.S.C. 3332 to require, subject to the authority of the Secretary of the Treasury to grant waivers, that, notwithstanding all other provisions--

--all Federal payments (other than payments under the Internal Revenue Code of 1986) shall be made by EFT.

Since Treasury (FMS) is responsible for implementing this policy, bureau procurement offices shall require this data prior to award of any contractual instrument. Subpart 1032.11 is hereby added to implement this policy.

Additionally, 31 CFR Part 208, Management of Federal Agency Disbursements, implements the DCIA. There is no specific waiver for vendor payments. The Financial Management Service has developed an online Internet site where vendors can use a password to access information about a Federal payment. This service is available to all Federal agencies and their vendors.

Action:	Remove DTAR pages:	Insert DTAR pages:
	32-1 through 32-2	32-1 through 32-2

Questions regarding this PIM may be directed to Angelie Jackson at (202) 622-0245 or angelie.jackson@do.treas.gov. Technical questions regarding EFT should be directed to Cathy Thomas, Office of the Deputy Chief Financial Officer, at (202) 622-0817 or cathy.thomas@do.treas.gov.

Attachment

PART 1032 - CONTRACT FINANCING

- 1032.003 Simplified acquisition procedures financing.
- 1032.006 Reduction or suspension of contract payments upon finding of fraud.
- 1032.006-1 General.
- 1032.006-2 Definitions.
- 1032.006-3 Responsibilities.

Subpart 1032.1 -- Non-commercial Item Purchase Financing

- 1032.102 Description of contract financing methods.
- 1032.113 Customary contract financing.
- 1032.114 Unusual contract financing.

Subpart 1032.2 -- Commercial Item Purchase Financing

- 1032.202 General.
- 1032.202-1 Policy.
- 1032.202-4 Security for Government financing.

Subpart 1032.4 -- Advance Payments for Non-commercial Items

- 1032.402 General.
- 1032.407 Interest.
- 1032.409 Contracting officer action.

Subpart 1032.8 -- Assignment of Claims

- 1032.803 Policies.

Subpart 1032.9 -- Prompt Payment

- 1032.903 Policy.

Subpart 1032.10 -- Performance-based Payments

- 1032.1006 Agency approvals.

- 1032.003 Simplified acquisition procedures financing.

BCPO's shall determine when contract financing for commercial items may be provided for purchases made under FAR Part 13.

- 1032.006 Reduction or suspension of contract payments upon finding of

fraud.

1032.006-1 General.

- (b) The required determination shall be made by the AS(M)

1032.006-2 Definitions.

The SPE is Treasury's remedy coordination official (RCO).

1032.006-3 Responsibilities.

- (a) The AS(M) shall fulfill agency head responsibilities in FAR 32.006-4 and 32.006-5.

- (b) Reports shall be made through the BCPO to the RCO.

Subpart 1032.1 -- Non-commercial Item Purchase Financing

1032.102 Description of contract financing methods.

- (e)(2) Authorized if adequate safeguards and approved at one level above the CO.

1032.113 Customary contract financing.

The specified arrangements are considered customary within Treasury.

1032.114 Unusual contract financing.

Deviations shall be approved by the SPE.

Subpart 1032.2 -- Commercial Item Purchase Financing

1032.202 General.

1032.202-1 Policy.

- (b)(2) Commercial interim payments and commercial advance payments may also be made

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when the contract price is at or below the simplified acquisition threshold.

1032.202-4 Security for Government financing.

(a)(2) The required determination shall be in writing, reviewed by legal counsel, and retained in the contract file.

Subpart 1032.4 -- Advance Payments For Non-commercial Items

1032.402 General.

(e)(1) The SPE is responsible for making findings and determinations.

(e)(2) BCPO's shall coordinate with the bureaus financing offices before requesting approval from the SPE.

1032.407 Interest.

(d) The SPE shall make the authorization.

1032.409 Contracting officer action.

Submit recommendations under 32.402 to BCPO's for coordination per 1032.402(e)(2) and SPE approval per 1001.7000.

Subpart 1032.8 -- Assignment of Claims

1032.803 Policies.

(d) Submit determination per 1001.7000(a).

Subpart 1032.9 -- Prompt Payment

1032.903 Policy.

(b) The HCA may make the determination in consultation with the finance office.

Subpart 1032.10 -- Performance-based Payments

1032.1006 Agency approvals.

Submit requests to the BCPO and prior to inclusion in any contract.

Subpart 1032.11 -- Electronic Funds Transfer

1032.1109 EFT information submitted by offerors.

Contracting officers shall require offerors to submit EFT information prior to award.